

TRAVEL: 5 FAVORITE GETAWAYS SKIN DEEP: BEAUTY TREATMENTS

TO
DOCTOR
YOUR GUIDE TO THE BEST
IN FAIRFIELD COUNTY

FAIRFIELD LIVING

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The
**Kleban
Machine:**
Building
a Future
for Fairfield

What's Next

SECOND-LARGEST PROPERTY OWNERS IN FAIRFIELD (BEHIND GE) • 15 DEVELOPMENTS
TRANSFORMING FAIRFIELD • MORE THAN **200 TENANTS** (AND COUNTING)

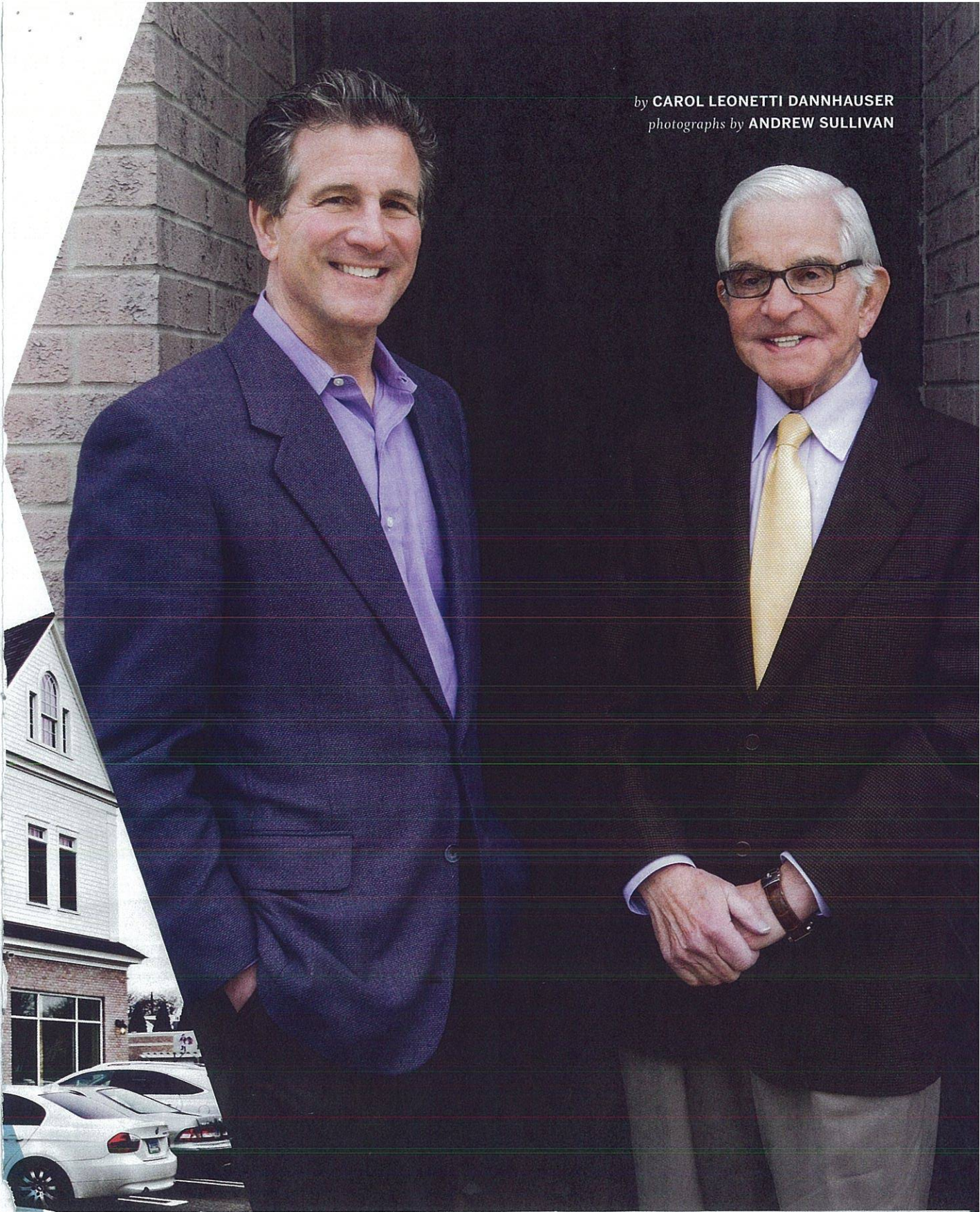
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Ken Kleban
And
Al Kleban
A Generation
Of Moving
Fairfield
Forward

THE TRANSFORMERS



by **CAROL LEONETTI DANNHAUSER**
photographs by **ANDREW SULLIVAN**



One day the old Steinbach department store was thriving in a shopping plaza on Black Rock Turnpike in Fairfield. The next day the Steinbach chain was bankrupt and its assets, including a long-term lease with landlord Al Kleban, were heading to the auction block.

What a prime spot, that Steinbach location, feeding as it does from Easton and the Merritt Parkway. Some 26,000 or so cars travel past that plaza each day, according to state estimates. Steinbach's had locked in at a low rent, and whoever bought the lease could continue the bargain for twelve more years. Lots of business folks were jockeying to grab the space. To put it politely, though, the prospects were not a high-class lot—dollar stores, mostly—eager to dump their discounts in the 74,000-square-foot empty shell and to stay put until the lease ran out.

But Al Kleban had a different vision for his property. He believed that if he created a new destination anchored by higher-end retailers, Fairfielders and their children would shop and eat and play there all day long. He just had to convince some national retailers to see things his way. In addition to being a landlord and a lawyer, Al Kleban, like his father and grandfather before him, is a salesman. With the clock ticking, Kleban worked the phones, lining up meetings and pitching plans to Gap and its offspring Old Navy. The day before the auction, Kleban flew to Detroit, site of the bankruptcy proceedings, to hammer out a deal with the retailers. Negotiations lasted through the night. Come morning, Kleban was ready. Each time the dollar-discounters upped the ante for the lease, Kleban bettered the offer. Eventually the discounters disappeared.

"I had a card up my sleeve. A deal with the Gap," Kleban says, chuckling. He's remembering the story from a booth in the back of Pizzeria Molto Mozzarella and Wine Bar in Fairfield (another vision of his, but more about that later). That Gap deal was sealed in 1999. Today, Gap, Old Navy, Einstein

Bros Bagels and more anchor the old Steinbach's site in one of the busiest shopping plazas in town.

Vision, cunning, money, guts—and a fair bit of salesmanship—have helped launch Kleban Holding Co. into Fairfield's second-largest property owner and taxpayer, just behind GE, according to the 2012 Grand List. (The Klebans' tally totals \$73,999,044, second to GE's \$74,039,200, reports Fairfield Tax Assessor Don Ross.) There's no question that the rising tax infusion from the Klebans—Al, who is eighty-two, and his son, Ken, who is fifty-four—has helped Fairfield weather the recent economic downturn better than many of its neighbors. But the Klebans' greatest contribution to town could be more than monetary. Project by project, Al and Ken Kleban have shaped the way Fairfielders shop, eat, travel, play and even live in their own hometown.

In the past decade alone, the Klebans have helped usher the Fairfield University bookstore off campus and into the center of town; built the \$60 million Brick Walk, a pedestrian-friendly shopping promenade on the Post Road where a funeral home once stood; courted restaurateurs and encouraged alfresco dining to liven up the streets at night; even constructed a built-in pool underneath Old Navy amid repeated calls for a new place in town where people could swim when it's too cold to swim outside.

The Klebans' latest plan, which includes a handful of apartments over a bank downtown, could be the sign of changes to come, not just for years, but for decades down the road.

"We've talked about more mixed-use downtown," says Mark Barnhart, Fairfield's director of economic development. Barnhart envisions a thriving downtown where people not only shop and eat but also work and live, too. This is a common grand vision among planners in Connecticut these days. But planners aren't builders or landlords. In fact, they're at the mercy of developers and zoning boards. "There are limits to what the towns can do, but with some landlords, we can be more lenient and flexible. When we talk, I know that the Klebans listen," Barnhart says. He cites as one example the Klebans' construction of more environmentally friendly projects, as the town has requested, as well as the partners' plans to add apartments over existing retail and service properties

THE BRICK WALK PROMENADE

- Zane Cycle Shop
- Pink Cupcake Shack
- Jos. A. Bank
- Vintage Garden
- Island Outfitters
- Mecha Noodle Bar
- ...etc.



VENERA ALEXANDROVA



THE BRICK WALK

Pronto Chop Shop & Pizzeria
Fin Japanese Restaurant

downtown. In Fairfield, there's a dearth of residential options for people who don't need or want all that comes with a house. "This housing can really transform the downtown in a very positive way," Barnhart says.

Residential properties are relatively new to the Klebans' portfolio. The landlords first experimented with apartments over commercial property in Fairfield when they developed the Brick Walk in 2009. "We really felt that Fairfield was ready for the whole 'live, work, play' concept," Ken Kleban says, describing "lifestyle centers" in which apartments are surrounded by service providers, such as banks and dry cleaners and dentists, as well as restaurants and recreational facilities. The Brick Walk includes nine apartments, most with balconies and full amenities over places like JoS. A. Bank clothing store and Vintage Garden on the Post Road. The Klebans expected empty nesters to move in, but their tenants have ranged in age and situation. The apartments "send a signal that downtown is a good place to live, and that signal can be contagious," Ken Kleban says. Today, there's a waiting list for the apartments.

Ken recounts the story from his Jeep one morning during the "property touch," which is how he starts each day, swinging behind

Gap and Old Navy, driving by Dumpsters to check on trash pickup, detecting rust spots on parking posts, noting missing lanterns and chipped paint and, with his Bluetooth headset on his ear, calling them all in to be fixed, immediately. Every couple of blocks he jumps out to inspect new construction—the firewalls inside a former jewelry store turned video-game shop, the grease basin system in a former swimming pool showroom turned Mexican restaurant, the wiring in a former bridal salon turned dog groomer—all as he ignores the oil warning light flashing on his dashboard. "Anything that's trouble?" he asks construction crews, building supervisors, tenants, again and again. The Klebans preside over some 200 tenants in town, all of whom have at least one Kleban's cell phone number. The landlords are known for their hands-on attention to detail. In half an hour, Ken answers questions about the paving in a parking lot, a vacancy anticipated in 2017, what the Klebans are doing to draw customers in to a high-end boutique, even the brick patterns on a new building.

Technically, Ken Kleban is a relative newcomer to the real property business, as it's called. While he did the books and watched over a construction project or two for his dad during college, after Ken graduated he worked in international trade, setting up manufacturing operations in Third World countries. Then he started an export

finance business, which he sold in 2001. Then he ran a digital art franchise in Westport for a couple of years. But this left him professionally unsatisfied and he searched for the next interesting opportunity. In the meantime, his father was thinking up ways to lure Ken into the business. All of Al's properties were tied up in partnerships, though, and partners aren't often eager to invite somebody's whipper-snapper into the fold. So Al waited, and Ken searched, and then Starwood Ceruzzi put up for sale 93,000 square feet of property in Fairfield center. The parcel included Victoria's Secret, Borders Bookstore and others.

"My father started talking about it. He knew it was the appropriate time, and I knew it was the appropriate time. It was meant to be," Ken recalls. "Real estate was always in my blood whether I realized it or not. Sitting at the dinner table, we were always talking about real estate or tenants or construction."

Al and Ken bought the property together in 2004 for nearly \$22 million and the experience proved eye-opening for each of them. "I'd never seen my father in action," Ken says. "When you put together a group of people related to a real estate transaction, you've got a lot of specialists there, whether it's legal, accounting, construction or whatever. It takes a very special person to be able to listen to these specialists and to synthesize what they are all saying and bring it down to its base argument and its base understanding. And to me that represents the smartest guy in the room. What I thought was cool about my father was his ability to bring it down and synthesize it. He was the smartest guy in the room."

As for Al, he knew his son was smart but he didn't realize what a keen business sense Ken would bring to the table. "Of all the partners I've had, Ken is the best businessman, by far. There's nobody in his league," Al says. "He's got entrepreneurial vision and sees things that have never occurred to other people, including me."

Take Fairfield Center, for example. After the Klebans' purchased the property they found ways to add to the gross leasable areas, which means they transformed alleyways into retail spots and built an entire lower level of offices, fitness centers and more where before was a storage basement. A residential level on top of the development could be in the Fairfield Center Building's future. "We're value-added guys. That's what we pride ourselves on," says Ken, who was also the architect behind Fairfield's small business incubator, which is headquartered downtown over the bookstore.

Another thing the Klebans are known for is "targeted tenancing," essentially identifying the type of tenant that would make for a perfect fit for a property, and then going out and finding that tenant. This was the strategy behind the Brick Walk to begin with, which the Klebans envisioned as a collection of high-quality, connected properties. It started with a property swap—the Klebans traded part of their empty property behind the old Lesko Funeral Home with the Lesko family in return for the Leskos' Post Road frontage. The Leskos would build a new funeral home in the back and the Klebans would link a collection of Post Road properties into one project. They would build an underground garage with free parking to serve tenants. All they needed was a cornerstone to lure in customers.

"I was in New York walking along Madison Avenue on the corner of 56th Street and I saw a sign that said 'Coming Soon, Obikà Mozzarella and Wine Bar,' and I thought what a great combination! That's what we need here," says Al, who lives in Fairfield with his wife of sixty years, Alida. "So I flew

FAIRFIELD CENTER BUILDING

Victoria's Secret
 Apricot Lane
 Banana Republic
 Loft
 Fairfield U
 Downtown Bookstore
 ...etc.





TURNPIKE SHOPPING CENTER

Shop Rite
EMS
Party City
Verizon
Webster Bank
Super Cuts
...etc.

over to Rome, and I thought their operation was great.”

The Klebans courted Obikà’s owners but one stumbling block turned into the next and it became clear that no deal was imminent. Still, the Klebans believed the concept was perfect for their promenade. So they convinced the Racanelli family, restaurateurs from Westchester County, to create their own mozzarella and wine bar. The result, Pizzeria Molto, has been drawing hipsters, foodies and plain old pizza lovers to the Post Road establishment since it opened in 2009. Its outdoor dining has enlivened that stretch of street and sparked new eating venues downtown. Shortly after it opened, Pizzeria Molto was credited with bringing to town “a cosmopolitan atmosphere that is unusual for Fairfield,” according to the *New York Times*. Not anymore, though. “The restaurant scene has flourished,” says town planner Barnhart, adding, “the more the merrier, frankly. Competition can be a very healthy thing, and having more restaurants tends to create the image that downtown Fairfield is a destination.”

That is good news to Al Kleban. He is eating lunch—Caesar salad with grilled chicken (dressing on the side, as the waitress knows, since he’s a regular)—and catching up on details of the business incubator with its director, Diane Salerno. “This town is still suffering from a very deep recession and a lot of the mom-and-pop shops are still struggling to survive,” he says. “The affluent are comfortable in their own environment and don’t understand the plight of those who are not as affluent, who don’t have the opportunity or the wherewithal or the connections to help.”

He knows from experience that many folks need help on the way up. Al Kleban started working when he was thirteen years old. He was a soda clerk and a Good Humor man. He was a truck driver, a pot washer, a waiter. He worked his way through the University of Connecticut then earned a law degree there and joined a law firm in Fairfield. One

of his classmates was Tom Meskill, who later became the governor of Connecticut. “He said to me, ‘You’re the one guy who’s never asked me for anything,’” Al remembers, then Meskill appointed him to the Public Utilities Commission. When Ella Grasso was voted in as governor, she vowed to clean house—beginning with the Public Utilities Commission—and appointed Al to take the commission’s reins. He later was appointed to the Federal Energy Administration. Al left public service in 1978 and returned to his law practice. He didn’t lose a case in ten years, he says. All the while, Al was increasing his real estate portfolio. He had inherited some of the property from his father, and many tenants felt like family, he says; he makes a point of patronizing his tenants’ businesses. There was a story around town about the time Al was preparing for bypass surgery about twenty years ago. Lying on a gurney, his sister to one side, his wife to the other. Al turned to his sister and said, “Whatever happens, promise me you’ll take your clothes to Superior Cleaners.” She would try, she said but could not promise; she was loyal to her own dry cleaner.

“Yes, that’s true,” Al says, chuckling. A man in work clothes stands off to the side holding a string of blue holiday lights. When Al is done talking, he approaches. The lights will illuminate trees throughout the Brick Walk. Are they an acceptable shade of blue? He plugs in the string and Al gives his approval. Nearly \$74 million worth of property in town and Al Kleban is particular about bulb color?

“Absolutely. I have a pride of ownership, frankly, and I don’t want to own anything that I don’t like,” Kleban says, heading off to his spotless 2012 magnolia-colored Bentley. **F**

VENERA ALEXANDROVA